

**CITY OF SHOREVIEW  
MINUTES  
REGULAR CITY COUNCIL MEETING  
June 20, 2011**

**CALL TO ORDER**

Pursuant to due call and notice thereof, a regular meeting of the Shoreview City Council was called to order by Mayor Martin on June 20, 2011, at 7:00 p.m.

**PLEDGE OF ALLEGIANCE**

The meeting opened with the Pledge of Allegiance to the flag.

**ROLL CALL**

The following members were present: Mayor Martin; Councilmembers Huffman, Wickstrom and Withhart.

Councilmember Quigley was absent.

**APPROVAL OF AGENDA**

Mayor Martin stated that item No. 14 on the agenda, Weed Abatements, has been resolved and that item can be removed.

MOTION:     by Councilmember Wickstrom, seconded by Councilmember Huffman to approve the June 20, 2011 agenda as amended.

VOTE:                 Ayes - 4           Nays - 0

**PROCLAMATIONS AND RECOGNITIONS**

Mayor Martin read the proclamation from the Ramsey County Sheriff's Department regarding the *Night to Unite*, a nationwide crime prevention event, which will be August 2, 2011. The Sheriff's Department will send representatives to individual neighborhood events with pre-registration.

Councilmember Wickstrom congratulated and announced that Mayor Martin won the C.C. Ludwig Award, the highest award from the League of Minnesota Cities. She read the press release for this award, which was presented June 16, 2011, in Rochester, Minnesota.

Mayor Martin thanked Councilmembers for the nomination and expressed her appreciation for the long time the Council has been able to work together. Shoreview is her hometown, and the real reward is the community survey indicating Shoreview is one of the highest ranked cities in the metro area for quality of life.

**CITIZEN COMMENTS**

There were none.

**COUNCIL COMMENTS**

**Mayor Martin:**

The Farmer's Market started last Tuesday with a good crowd. New bakeries were represented, as well as the wonderful produce.

A major rehabilitation of the South Water Tower is occurring. The work is on schedule and should be working again by July 4.

**Councilmember Withhart:**

The second concert of the summer series will be Wednesday, June 22, 2011. All residents are encouraged to attend.

**Councilmember Huffman:**

Congratulations to Mayor Martin for her leadership in the City.

**Councilmember Wickstrom:**

The Ramsey County League of Local Governments will meet Thursday, June 23, 2011. The meeting is about trash and recyclables. It will be at 7:00 p.m. at Roseville City Hall. Councilmembers and anyone interested are encouraged to attend.

**CONSENT AGENDA**

Mayor Martin noted that neither she nor Councilmember Withhart were present at the June 6, 2011 City Council meeting. As quorum was not present to approve the minutes, that item was held over to the next meeting.

Councilmember Huffman requested an update to No. 7, *Adoption of 2011 Performance Measurement Program*. City Manager Schwerm stated that the legislature created The Council on Local Results and Innovation. One of the recommendations is for cities to adopt performance

standards. Adoption of such standards may qualify the City to be exempt from levy limits. Many of these standards are also being incorporated into the budget process to establish goals.

Referring to the Park and Recreation Report, Councilmember Wickstrom asked if Shoreview is following the alternate day watering restrictions. Mr. Schwerm answered that the City is following restrictions. Because of the number of zones watering sometimes carries over to two days, but we make every effort to water every other day. Also, because of the water tower project, some turfed areas are not being watered.

**MOTION:** by Councilmember Huffman, seconded by Councilmember Wickstrom to adopt the consent agenda of June 20, 2011, with the exclusion of item No. 1, June 6, City Council Meeting Minutes, and approving the necessary motions and resolutions for item Nos. 2 through 11:

2. Receipt of Committee/Commission Minutes:  
Economic Development Authority, May 9, 2011
3. Monthly Reports:  
Administration  
Community Development  
Finance  
Public Works  
Park and Recreation
4. Verified Claims in the Amount of \$1,182,218.54
5. Purchases
6. Approval of Network Infrastructure Upgrade
7. Adoption of 2011 Performance Measurement Program
8. Approval of Application for Temporary Intoxicating Liquor License and Lawful Gambling Permit - St. Odilia Catholic Church
9. Award of Quote - Hot Tub Filtration and Circulation System
10. Approve Plans and Specifications and Order Taking of Bids - Buffalo Lane Reconstruction, CP 11-09
11. Acceptance of Quote - 2011 Trail Rehabilitation, CP 11-11

**VOTE:** Ayes - 4 Nays - 0

## **PUBLIC HEARINGS**

There were none.

**GENERAL BUSINESS**

**ACCEPT THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED DECEMBER 31, 2010**

**Presentation by Finance Director Jeanne Haapala**

Three reports were presented to the Council: 1) Legal Compliance Audit; 2) Management Report; and 3) Comprehensive Annual Financial Report.

The Legal Compliance Audit is a letter to the City Council regarding seven areas the auditors are required to examine: 1) contract and bidding; 2) deposits and investments; 3) conflicts of interest; 4) public indebtedness; 5) claims and disbursements; 6) miscellaneous provisions; and 7) tax increment financing. The results are that there are no findings to discuss with the Council or State Auditor.

The Management Report is issued by the auditors to the City Manager and City Council. It is intended to summarize the overall review, including a review of governmental funds and an analysis of financial trends. This report is of the same content as last year.

The Comprehensive Annual Financial Report - The City operated 48 separate funds with their own assets, liabilities and fund balances. The General Fund shows the biggest variance in revenue in licenses and permits, and charges for service which is related to plan check fees. The total variance in revenue of all the categories is plus \$263,569. Expenses show that the net result for the General Fund is that the fund balance increased by \$58,000. This is the exact amount increased for cash flow and unanticipated expenditures. The City Council was able to transfer money to set aside for future debt service fund costs. The biggest savings were realized in Administration and Parks, but favorable variances occurred in every department.

There are two primary special revenue funds for the Community Center and Recreational Programs. Both show a fund balance increase for 2010. Utility funds are improving, except for the Water Fund. This is because significantly less water was sold (14.6% decrease) due to the amount of rainfall during the growing season. The City is on a multi-year plan to increase all utility funds.

The City's bond rating was upgraded to AAA in 2010. The City received the Certificate of Achievement for Excellence in Financial Reporting for the 25<sup>th</sup> year. The City experiences a collection rate on property taxes of 98.6%. The City's debt limit is \$12.7 million, which is 14% of the total maximum debt limit allowed for Shoreview, \$90.5 million. The City's unemployment rate is 5.1%, compared to the state's rate of 6.8% and the national rate of 9.1%.

Councilmember Huffman expressed his appreciation for the positive numbers and to Ms. Haapala and staff for their hard work to give the Council confidence that City finances are being handled right. He asked if the Council would learn anything needed for the budget process if

there were a meeting with the auditors. Mr. Schwerm responded that the auditors do not get involved in the budget process. The staff works directly with the Council on the budget.

Mayor Martin asked how a state shutdown would impact City collection of revenue. Ms. Haapala stated that the biggest potential impact would be in regard to MSA payments for any MSA project in the City because property tax collections come from Ramsey County. She is not anticipating a problem as the project must be completed before MSA funds can be received. The City does not receive state aid or homestead market value credit. One impact to her job will be that the State Auditor's website will shut down. A statutory requirement is that tax increment reporting is due August 1, but the forms are not yet available on the website. Mr. Schwerm added that the Sheriff's Department will continue to provide service from property tax collections.

**MOTION:** by Councilmember Withhart, seconded by Councilmember Huffman to accept the comprehensive annual financial report for the fiscal year ended December 31, 2010.

**ROLL CALL:** Ayes: Huffman, Wickstrom, Withhart, Martin  
Nays: None

### **AWARD BID - 2011 SEAL COATING, CP 11-06**

#### **Presentation by Public Works Director Mark Maloney**

Seal coating is done every year for preservation of asphalt on streets. The area targeted this year is around the Community Center, north of Highway 96 to Tanglewood and the area north of Sitzer Park. The project will be managed closely to minimize any impact to the use of the Community Center. Spring Haven Court (off Lexington) and a portion of Hamline Avenue north of Lexington are also included. Funding is from the Street Renewal Fund.

Two bids were received. The low bid in the amount of \$229,116.91 was received from Pearson Brothers, Inc. The Engineer's Estimate was \$254,000.00. It is staff's recommendation to accept this bid and authorize a contract in the amount of \$229,116.91.

Councilmember Wickstrom asked if the seal coating will increase the impact to residents on Tanglewood and Victoria with the reconstruction project for that street. Mr. Maloney stated that the seal coating will be within a 3- to 4-day window. The seal coat schedule is at a different time from the reconstruction.

Councilmember Huffman asked if there would be an impact to Cumberland at the entrance to Hodgson. Mr. Maloney stated that a very short segment of Cumberland would be impacted, which will be monitored and would be held in escrow.

Councilmember Withhart asked if there is a remedy to the seal coating that was done to the decorative concrete around the Community Center. Mr. Schwerm stated that a different color for crosswalks is being considered. Also, a new material is being considered for crosswalks as part of the Victoria project because the existing concrete crosswalks are damaged.

Mayor Martin noted that while seal coating can be inconvenient to residents, it is proactive work that preserves and extends the life of City streets. This means that costly reconstructions are delayed many years.

**MOTION:** by Councilmember Wickstrom, seconded by Councilmember Withhart to approve Resolution No. 11-36 accepting the bid from Pearson Bros., Inc. for the 2011 Street Seal Coating, City Project 11-06, and authorizes the Mayor and City Manager to execute a construction contract in the amount of \$229,116.91.

**ROLL CALL:** Ayes: Wickstrom, Withhart, Huffman, Martin  
Nays: None

**ADJOURNMENT**

**MOTION:** by Councilmember Huffman, to adjourn the meeting at 7:50 p.m.

**VOTE:** Ayes - 4 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 5<sup>TH</sup> DAY OF JULY 2011.

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Terry C. Schwerm  
City Manager